REMARKS

This is intended as a full and complete response to the Final Office Action dated September 21, 2007, having a shortened statutory period for response set to expire on December 21, 2007. Applicants submit this response to place the application in condition for allowance or in better form for appeal. Please reconsider the claims pending in the application for reasons discussed below.

Claims 1, 4-21 and 24-31 are pending in the application. Claims 1, 4-21 and 24-31 remain pending following entry of this response. Claims 1 and 21 are amended to correct typographical errors. Applicants submit that the amendments do not introduce new matter.

Request for Reconsideration of Finality of Rejection

The claims of a new application may be finally rejected in the first Office action in those situations where (A) the new application is a continuing application of, or a substitute for, an earlier application, and (B) all claims of the new application (1) are drawn to the same invention claimed in the earlier application, and (2) would have been properly finally rejected on the grounds and art of record in the next Office action if they had been entered in the earlier application. (MPEP § 706.07(b)).

In this case, claim 21 of the present application would not have been properly finally rejected on the grounds and art of record in the next Office action if it had been entered in the earlier application. This is because claim 21 was amended to include limitations from dependent claims 22 and 23, respectively, where both dependent claims depended from the base claim 21. Accordingly, claim 21 is effectively a new claim that has not been previously examined or rejected. Therefore, there are no grounds of rejection, of record, for claim 21.

In fact, the present Office action does not state any ground of rejection regarding the claim 21 limitation, "providing an indication of the first state of the annotation in an interface screen displaying the annotation data." Applicants believe that this error in examination is precisely the reason why the erroneous first action final was issued. Had claim 21 been properly examined, it would be apparent that claim 21 could not be

rejected on grounds of record. In any case, whether or not the Examiner agrees that the finality is improper, the fact remains that the rejection of claim 21 is defective. Applicants therefore request that claim 21 be allowed, or that another (non-final) action be issued correcting the defect in examination. Accordingly, the finality of the Office action is improper, and Applicants respectfully request withdrawal of the finality of the rejection.

Claim Rejections - 35 U.S.C. § 103

Claims 1, 4-21 and 24-31 are rejected under 35 U.S. 103(a) as being unpatentable over *Bays et al.* (U.S. Patent No. 6,519,603, hereinafter "*Bays*") in view of *Setya* (U.S. Patent Pub. No. 2006/0111953 A1).

Applicants respectfully traverse this rejection.

The Examiner bears the initial burden of establishing a *prima facie* case of obviousness. *See* MPEP § 2142. To establish a *prima facie* case of obviousness three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one ordinary skill in the art, to modify the reference or to combine the reference teachings. Second, there must be a reasonable expectation of success. Third, the prior art reference (or references when combined) must teach or suggest all the claim limitations. *See* MPEP § 2143. The present rejection fails to establish at least the third criteria.

In this case, *Bays* does not teach or suggest, "Applying the set of state rules to determine a second state of the annotation based on the annotation data in the updated annotation record," as recited by claim 1. Claim 21 recites a similar limitation. The Office action maintains that *Bays* discloses this limitation in "perform[ing] a template transforming (or filtering) loop … and/or an annotation propagation loop[;] … If the administrator 27 determines… that a filter and/or a template is needed, the administrator 27 enters a reader context[;]...The administrator 27 then specifies a corresponding reader template… and the method 100 inquires at decision block 170 whether templates for additional reader contexts are desired." (*Bays* col. 9, line 50 – col. 10, line 11). However, the template transforming disclosed in *Bays* is not

"determining a second state of the annotation," as required by claim 1. Rather, "Filtering and transforming the entered annotation content based on the context of the reader can be used to retrieve only relevant information, or to 'hide' information to which this reader context is unauthorised, or to present the information in a form easily understood by the discipline or role of the reader." (*Bays*, col. 3, line 25-32). In other words, template transforming has no relation to determining states of annotations, but rather to defining what data to present to a user, and how to present that data. Accordingly, *Bays* does not teach or suggest, "Applying the set of state rules to determine a second state of the annotation based on the annotation data in the updated annotation record," as recited by claim 1. Therefore, claims 1, 21, and their dependents are believed to be allowable, and allowance of the claims is respectfully requested.

Conclusion

Having addressed all issues set out in the office action, Applicants respectfully submit that the claims are in condition for allowance and respectfully request that the claims be allowed.

If the Examiner believes any issues remain that prevent this application from going to issue, the Examiner is strongly encouraged to contact Gero McClellan, attorney of record, at (336) 643-3065, to discuss strategies for moving prosecution forward toward allowance.

Respectfully submitted, and
S-signed pursuant to 37 CFR 1.4,

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